

**Before the State of South Carolina
Department of Insurance**

In the matter of:

Rampart Insurance Company

20 Exchange Place, 11th Floor
New York, NY 10005

SCDI File Number 112891

**Consent Order
Imposing Administrative Penalty**

This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance and Rampart Insurance Company (the Company), an insurer authorized to transact insurance business within the State of South Carolina.

The Company hereby admits, and I find as fact, that it failed to timely file its 2001 Annual Statement with the Department. This insurer had previously, under its former name GAN National, failed to timely file its 1997 Annual Statement, for which it was given a first-offense warning letter. These actions are a direct violation of § 38-13-80 (A) of the South Carolina Code and can ultimately lead to the revocation of the insurer's certificate of authority pursuant to § 38-5-120 (A) (2) to transact the business of insurance within South Carolina.

Rather than contest this matter, the parties have agreed to submit the entire matter to me, along with their specific recommendation, for my summary decision. That consensual recommendation was that the Company would waive its right to a public hearing and immediately submit an administrative penalty through the Department in the total amount of \$1,000.

Section 38-13-80 of the South Carolina Code in pertinent part states, "Every insurer annually shall file with the department by March first, in the form and detail the director or his designee prescribes, a statement showing the business standing and financial condition of the insurer on December thirty-first of the preceding year...."

After a thorough review of the matter, carefully considering the recommendations of the parties, and pursuant to my findings of fact, I hereby conclude as a matter of law that the Company failed to comply with S.C. Code Ann. § 38-13-80 (2002). Accordingly, I hereby accept the recommendation of the parties and impose an administrative fine in the total amount of \$1,000 against the Company pursuant to the discretionary authority provided to me by the State of South Carolina General Assembly within S.C. Code Ann. §§ 38-2-10 and 38-5-130 (2002). The Company must pay this administrative fine within fifteen days of my date and signature upon this consent order. If the Company has not paid that total amount on, or before, that date, then the Company's certificate of authority to transact business as an insurer within the State of South Carolina will be summarily revoked without any further administrative disciplinary proceedings.

This fine has been reached by the parties in consideration of the internal corrective measures the Company has implemented to prevent this problem from recurring the Company' assurance that it will timely file each of its future annual statements with the Department. This penalty includes all expenses related to investigation of this matter as provided in Section 38-13-70 of the South Carolina Code. The parties also expressly agree and understand payment of the agreed-upon penalty constitutes full accord and satisfaction of this matter.

By the signature of one of its officers or authorized representatives upon this consent order, the Company acknowledges that it understands that this administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 2001).

Nothing contained within this administrative disciplinary order should be construed to limit, or to deprive any person of, any private right of action under the law. Nothing contained within this administrative disciplinary order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement or judicial officer. Nothing contained within this administrative disciplinary order should be construed to limit the statutory duty, pursuant to S.C. Code Ann. § 38-3-110 (2002), of the Director of Insurance, exercised either directly or through the Department to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the laws relative to the business of insurance or the provisions of this title which he considers necessary to report."

It is, therefore, ordered that Rampart Insurance Company shall, within fifteen days of my date and my signature upon this consent order, pay through the Department an administrative fine in the total amount of \$1,000.

It is further ordered that a copy of this consent order shall be immediately transmitted to the National Association of Insurance Commissioners for distribution to its member states.

This consent order becomes effective on the date of my signature below.



Ernst N. Csiszar
Director

3 June, 2002
Columbia, South Carolina

I CONSENT:

Peter Henry
Signature of Authorized Representative

PETER HENRY
Name

TREASURER
Title

Rampart Insurance Company
20 Exchange Place, 11th Floor
New York, NY 10005

Dated this 14th day of MAY, 2002

MARGUERITA BODDIE
Notary Public, State of New York
No. 01BO6068056
Qualified in Kings County
Commission Expires December 24, 20 05
Marguerita Boddie